### Union Calendar No. 246

106TH CONGRESS 1ST SESSION

H.R. 2389

[Report No. 106-392, Part I]

# A BILL

To restore stability and predictability to the annual payments made to States and counties containing National Forest System lands and public domain lands managed by the Bureau of Land Management for use by the counties for the benefit of public schools, roads, and other purposes.

OCTOBER 29, 1999

Committee on Resources discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## IN THE HOUSE OF REPRESENTATIVES

June 30, 1999

Mr. Deal of Georgia (for himself, Mr. Boyd, Ms. Dunn, Mr. Turner, Mr. Peterson of Pennsylvania, and Mr. Thompson of California) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

#### OCTOBER 18, 1999

Reported from the Committee on Agriculture with an amendment [Strike out all after the enacting clause and insert the part printed in italic]

#### OCTOBER 18, 1999

Referral to the Committee on Resources extended for a period ending not later than October 29, 1999

#### October 29, 1999

Additional sponsors: Mr. Goodlatte, Mr. Stupak, Mr. Radanovich, Mr. Shows, Mrs. Chenoweth-Hage, Mr. Oberstar, Mr. Nethercutt, Mr. Taylor of North Carolina, Mr. Walden of Oregon, Mr. Herger, Mr. Schaffer, Mr. Hill of Montana, Mr. Hayworth, Mr. Canady of Florida, Mrs. Thurman, Mr. Bishop, Mr. Green of Wisconsin, Mr. Sandlin, Mr. Owens, Mr. Metcalf, Mrs. Emerson, Mr. Hayes, Mrs. Cubin, Mr. Norwood, Mr. Phelps, Mr. Berry, Mr. Lucas of Kentucky, Mr. Frost, Mrs. Christensen, Mrs. Clayton, and Mr. Smith of Michigan

#### October 29, 1999

Committee on Resources discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on June 30, 1999]

# A BILL

To restore stability and predictability to the annual payments made to States and counties containing National Forest System lands and public domain lands managed by the Bureau of Land Management for use by the counties for the benefit of public schools, roads, and other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
- 4 (a) Short Title.—This Act may be cited as the
- 5 "County Schools Funding Revitalization Act of 1999".
- 6 (b) Table of Contents.—The table of contents of this
- 7 Act is as follows:
  - Sec. 1. Short title; table of contents.
  - Sec. 2. Findings and purpose.
  - Sec. 3. Definitions.
  - Sec. 4. Determination of full payment amount for eligible States and counties.
  - Sec. 5. Forest Service payments to eligible States for affected counties to use for public education and transportation.
  - Sec. 6. Bureau of Land Management payments to eligible counties to use for the benefit of public safety, law enforcement, and other public purposes.
  - Sec. 7. Development of long-term methods to meet statutory obligation of Federal lands to contribute to public education and other public services.
  - Sec. 8. Sense of Congress regarding Advisory Committee recommendations.
  - Sec. 9. Authorization of appropriations.
  - Sec. 10. Conforming amendments.

#### 1 SEC. 2. FINDINGS AND PURPOSE.

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2 (	(a)	FINDINGS.—	-The	Congress	finds	the	foll	lowing	g:

- (1) The National Forest System, which is managed by the United States Forest Service, was established in 1907 and has grown to include 192,000,000 acres of Federal lands.
- 7 (2) The public domain lands known as revested 8 Oregon and California Railroad grant lands and the 9 reconveyed Coos Bay Wagon Road grant lands, which 10 are managed predominantly by the Bureau of Land 11 Management were returned to Federal ownership in 12 1916 and 1919 and now comprise approximately 13 2,600,000 acres of Federal lands.
  - (3) Congress recognized that, by securing these lands in Federal ownership, the counties in which these lands were situated would be deprived of revenues they would otherwise receive if the lands were held in private ownership.
  - (4) Even without such revenues, these same counties have expended public funds year after year to provide services, such as education, road construction and maintenance, search and rescue, law enforcement, waste removal, and fire protection, that directly benefit these Federal lands and people who use these lands.

- 1 (5) To accord a measure of compensation to the 2 affected counties for their loss of future revenues and 3 for the critical services they provide, Congress deter-4 mined that the Federal Government should share with 5 these counties a portion of the revenues the United 6 States receives from these Federal lands.
  - (6) Congress enacted in 1908 and subsequently amended a law that requires 25 percent of the revenues derived from National Forest System lands be paid to States for use by the counties in which the lands are situated for the benefit of public schools and roads.
  - (7) Congress enacted in 1937 and subsequently amended a law that requires 50 percent of the revenues derived from the revested and reconveyed grant lands be paid to the counties in which those lands are situated to be used as are other county funds.
  - (8) For several decades during the dramatic growth of the American economy, counties dependent on and supportive of the Federal lands received and relied on increasing shares of these revenues to provide educational opportunities for the children of residents of these counties.
  - (9) In recent years, the principal source of these revenues, Federal timber sales, has been sharply cur-

- tailed and, as the volume of timber sold annually from most of the Federal lands has decreased precipitously, so too have the revenues shared with the affected counties.
  - (10) This decline in shared revenues has severely impacted or crippled educational funding in, and the quality of education provided by, the affected counties.
  - (11) In the Omnibus Budget Reconciliation Act of 1993, Congress recognized this trend and ameliorated its adverse consequences by providing an alternative annual safety net payment to 72 counties in Oregon, Washington, and northern California in which Federal timber sales had been restricted or prohibited by administrative and judicial decisions to protect the northern spotted owl.
  - (12) The authority for these particular safety net payments is expiring and no comparable authority has been granted for alternative payments to counties elsewhere in the United States that have suffered similar losses in shared revenues from the Federal lands and in the educational funding those revenues provide.
  - (13) Although such alternative payments are not an adequate substitute for the revenues, wages, pur-

chasing of local goods and services, and social opportunities that are generated when the Federal lands are managed in a manner that encourages revenue-producing activities, they are critically needed now to stabilize educational funding in the affected counties.

# (b) Purposes.—The purposes of this Act are—

- (1) to arrest the decline in, and stabilize, the revenues derived from National Forest System lands and revested and reconveyed grant lands that the Federal Government shares with counties in which these Federal lands are situated;
- (2) to assist the local governments that are so dependent on and supportive of the Federal lands to restore the quality of education that they were able to provide to the children of residents of these counties before the recent severe reductions in or curtailments of revenue-producing activities on those lands;
- (3) to provide this temporary relief in a form that will neither encourage the long-term reliance on appropriations, nor discourage the management of the Federal lands in a manner that will generate revenues, to meet the Federal Government's statutory obligations to the counties that contain these lands; and
- (4) to facilitate the development by the Federal Government and the counties and school districts

1	which benefit from the shared Federal land revenues
2	of a long-term method to generate payments to States
3	and counties that would avoid the need to provide
4	further temporary relief.
5	SEC. 3. DEFINITIONS.
6	In this Act:
7	(1) FEDERAL LANDS.—The term "Federal lands"
8	means—
9	(A) lands within the National Forest Sys-
10	tem, as defined in section 11(a) of the Forest and
11	Rangeland Renewable Resources Planning Act of
12	1974 (16 U.S.C. 1609(a)); and
13	(B) the Oregon and California Railroad
14	grant lands revested in the United States by the
15	Act of June 9, 1916 (Chapter 137; 39 Stat. 218),
16	Coos Bay Wagon Road grant lands reconveyed to
17	the United States by the Act of February 26,
18	1919 (Chapter 47; 40 Stat. 1179), and subse-
19	quent additions to such lands.
20	(2) Advisory committee.—The term "Advisory
21	Committee" means the Forest Counties Payments
22	Committee established by section 7.
23	(3) Eligibility Period.—The term "eligibility
24	period" means the period beginning on October 1,
25	1985, and ending on September 30, 1999.

- 1 (4) ELIGIBLE COUNTY.—The term "eligible coun-2 ty" means a county that received one or more 50-per-3 cent payments during the eligibility period.
  - (5) ELIGIBLE STATE.—The term "eligible State" means a State that received one or more 25-percent payments during the eligibility period.
  - (6) FULL PAYMENT AMOUNT.—The term "full payment amount" means the amount calculated for each eligible State and eligible county under section 4.
  - (7) House committees of jurisdiction" means the term "House committees of jurisdiction" means the Committee on Agriculture, the Committee on Resources, and the Committee on Appropriations of the House of Representatives.
  - (8) Senate committees of jurisdiction.—
    The term "Senate committees of jurisdiction" means
    the Committee on Agriculture, Nutrition, and Forestry, the Committee on Energy and Natural Resources, and the Committee on Appropriations of the
    Senate.
  - (9) 25-PERCENT PAYMENTS.—The term "25-percent payments" means the payments to States required by the 6th paragraph under the heading of "FOREST SERVICE" in the Act of May 23, 1908

- (35 Stat. 260; 16 U.S.C. 500), and section 13 of the 1 2 Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500). 3 (10) 50-PERCENT PAYMENTS.—The term "50-percent payments" means the payments that are the sum 5 of the 50-percent share otherwise paid to a county 6 pursuant to title II of the Act of August 28, 1937 7 (Chapter 876; 50 Stat. 875; 43 U.S.C. 1181f), and the 8 payment made to a county pursuant to the Act of 9 May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 10 1181f-1 et seq.). 11 (11) Safety Net Payments.—The term "safety net payments" means the payments to States and 12 counties required by sections 13982 and 13983 of the 13 14 Omnibus Budget Reconciliation Act of 1993 (Public 15 Law 103-66; 16 U.S.C. 500 note; 43 U.S.C. 1181f 16 note). 17 (12) Sustainable forestry.—The term "sus-18 tainable forestry" means principles of sustainable for-19 est management that equally consider ecological, eco-20 nomic, and social factors in the management of Fed-21 eral lands.
- 22 SEC. 4. DETERMINATION OF FULL PAYMENT AMOUNT FOR
- 23 ELIGIBLE STATES AND COUNTIES.
- (a) CALCULATION REQUIRED.—The Secretary of the
   Treasury shall calculate for each eligible State and eligible

- 1 county an amount equal to the average of the three highest
- 2 25-percent payments, 50-percent payments, or safety net
- 3 payments made to that eligible State or eligible county dur-
- 4 ing the eligibility period.
- 5 (b) Annual Adjustment.—For the second and each
- 6 subsequent fiscal year in which payments are required to
- 7 be made to eligible States and eligible counties under this
- 8 Act, the Secretary of the Treasury shall adjust the full pay-
- 9 ment amount in effect for the previous fiscal year for each
- 10 eligible State and eligible county to reflect changes in the
- 11 consumer price index for urban areas (as published in the
- 12 Bureau of Labor Statistics) that occur after publication of
- 13 that index for fiscal year 1999.
- 14 SEC. 5. FOREST SERVICE PAYMENTS TO ELIGIBLE STATES
- 15 FOR AFFECTED COUNTIES TO USE FOR PUB-
- 16 LIC EDUCATION AND TRANSPORTATION.
- 17 (a) Requirement for Payments to Eligible
- 18 States.—The Secretary of the Treasury shall make a pay-
- 19 ment to each eligible State in accordance with subsection
- 20 (b) as early as practicable in each of fiscal years 2000
- 21 through 2005.
- 22 (b) Payment Amounts.—Each payment to an eligible
- 23 State under subsection (a) shall consist of the following:
- 24 (1) The amount of the 25-percent payments ap-
- 25 plicable to that State.

1	(2) If the amount under paragraph (1) is less
2	than the full payment amount for that State, such ad-
3	ditional funds as are necessary to provide a total
4	payment equal to the full payment amount.
5	(c) Expenditure of Payments.—Eligible States
6	shall distribute and expend the payments received under
7	subsection (a) in the same manner in which the 25-percent
8	payments are required to be distributed and expended.
9	(d) Source of Additional Payment Amounts.—
10	Funds necessary to make the payment required by sub-
11	section (b)(2), shall be derived, as determined by the Sec-
12	retary of Agriculture, from any revenues received by the
13	United States from activities on the Federal lands described
14	in section 3(1)(A), funds appropriated for the Forest Serv-
15	ice, or both sources, except—
16	(1) programs from which the 25-percent pay-
17	ments are derived and funds which, if paid to eligible
18	States, would contribute to a reduction in such reve-
19	nues; and
20	(2) funds from trust or other special accounts es-
21	tablished by statute for use by the Forest Service for
22	specified purposes.

1	SEC. 6. BUREAU OF LAND MANAGEMENT PAYMENTS TO ELI-
2	GIBLE COUNTIES TO USE FOR THE BENEFIT
3	OF PUBLIC SAFETY, LAW ENFORCEMENT, AND
4	OTHER PUBLIC PURPOSES.
5	(a) Requirement for Payments to Eligible
6	Counties.—The Secretary of the Treasury shall make a
7	payment to each eligible county in accordance with sub-
8	section (b) as early as practicable in each of fiscal years
9	2000 through 2005.
10	(b) Payment Amounts.—Each payment to an eligible
11	county under subsection (a) shall consist of the following:
12	(1) The amount of the 50-percent payments ap-
13	plicable to that county.
14	(2) If the amount under paragraph (1) is less
15	than the full payment amount for that county, such
16	additional funds as are necessary to provide a total
17	payment equal to the full payment amount.
18	(c) Expenditure of Payments.—Eligible counties
19	shall distribute and expend the payments received under
20	subsection (a) in the same manner in which the 50-percent
21	payments are required to be distributed and expended.
22	(d) Source of Additional Payment Amounts.—
23	Funds necessary to make the payment required by sub-
24	section (b)(2), shall be derived, as determined by the Sec-
25	retary of the Interior, from any revenues received by the
26	United States from activities on the Federal lands described

1	in section $3(1)(B)$ , funds appropriated for the Bureau of
2	Land Management, or both, except—
3	(1) programs from which the 50-percent pay-
4	ments are derived and funds, which, if paid to eligible
5	counties, would contribute to a reduction in such rev-
6	enues; and
7	(2) funds from trust or other special accounts es-
8	tablished by statute for use by the Bureau of Land
9	Management for specified purposes.
10	SEC. 7. DEVELOPMENT OF LONG-TERM METHODS TO MEET
11	STATUTORY OBLIGATION OF FEDERAL LANDS
12	TO CONTRIBUTE TO PUBLIC EDUCATION AND
13	OTHER PUBLIC SERVICES.
14	(a) Forest Counties Payments Committee.—
15	There is hereby established an advisory committee, to be
16	known as the Forest Counties Payments Committee, to de-
17	velop recommendations, consistent with sustainable for-
18	estry, regarding methods to ensure that States and counties
19	in which Federal lands are situated receive adequate Fed-
20	eral payments to be used for the benefit of public education
21	and other public purposes.
22	(b) Members.—The Advisory Committee shall be com-
23	posed of the following members:

- (1) The Chief of the Forest Service, or a designee
   of the Chief who has significant expertise in sustainable forestry.
  - (2) The Director of the Bureau of Land Management, or a designee of the Director who has significant expertise in sustainable forestry.
  - (3) The Director of the Office of Management and Budget, or the Director's designee.
  - (4) Two members who are elected members of the governing branches of eligible counties, one appointed by the President pro tempore of the Senate (in consultation with the chairmen and ranking members of the Senate committees of jurisdiction) and one appointed by the Speaker of the House of Representatives (in consultation with the chairmen and ranking members of the House committees of jurisdiction) within 60 days of the date of enactment of this Act.
  - (5) Two members who are elected members of school boards for, or superintendents from, school districts in eligible counties, one appointed by the President pro tempore of the Senate (in consultation with the chairmen and ranking members of the Senate committees of jurisdiction) and one appointed by the Speaker of the House of Representatives (in consultation with the chairmen and ranking members of the

House committees of jurisdiction) within 60 days of
 the date of enactment of this Act.

## (c) Advisory Committee Functions.—

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- (1) Development of recommendations.—The Advisory Committee shall develop recommendations for policy or legislative initiatives, or both, to substitute for the short-term payments required by this Act a long-term method to generate annual payments to eligible States and eligible counties at or above the full payment amount. Not later than two years after the date of the enactment of this Act, the Advisory Committee shall submit to the Senate committees of jurisdiction and the House committees of jurisdiction a final report containing the recommendations developed under this paragraph. The Advisory Committee shall submit semiannual progress reports on its activities and expenditures to the Senate committees of jurisdiction and the House committees of jurisdiction until the final report has been submitted.
- (2) GUIDANCE.—In developing the recommendations required by paragraph (1), the Advisory Committee shall seek to produce adequate and reliable payments through revenues collected from the historic multiple use of Federal lands, in accord with sustainable forestry. Within the context of ensuring the long-

- term sustainable multiple use of Federal lands, the
  Advisory Committee shall seek to ensure that revenues
  and payments so generated will minimize adverse
  budgetary effects and generate additional revenues,
  wages, purchasing of goods and services, and other
  economic and social benefits to and for States, counties, and schools.
  - (3) Monitoring and reporting activities.—
    The Advisory Committee shall monitor the payments made to eligible States and eligible counties pursuant to this Act and submit to the Senate committees of jurisdiction and the House committees of jurisdiction an annual report describing the amounts and sources of such payments and containing such comments as the Advisory Committee may have regarding such payments.
    - (4) Testimony.—The Advisory Committee shall make itself available for testimony or comments on the reports required to be submitted by the Advisory Committee and on any legislation or regulations to implement any recommendations made in such reports in any congressional hearings or any rule-making or other administrative decision process.
- 24 (d) Organization of Advisory Committee.—

- (1) Chairperson.—The Chairperson of the Advisory Committee shall be selected from among the members appointed pursuant to paragraphs (4) and (5) of subsection (b).
  - (2) VACANCIES.—Any vacancy in the membership of the Advisory Committee shall be filled in the same manner as required by subsection (b). A vacancy shall not impair the right of the remaining members to perform the functions authorized by subsection (c).
  - (3) Compensation.—The members of the Advisory Committee who are not officers or employees of the United States, while attending meetings or other events held by the Advisory Committee or at which the members serve as representatives of the Advisory Committee or while otherwise serving at the request of the Chairperson, shall each be entitled to receive compensation at a rate not in excess of the maximum rate of pay for grade GS-18, as provided in the General Schedule under section 5532 of title 5, United States Code, including traveltime, and while away from their homes or regular places of business shall each be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by section

- 5703 of title 5, United States Code, for persons in
   Government service employed intermittently.
  - (4) Geographic Representation.—In making appointments under paragraphs (4) and (5) of subsection (b), the President pro tempore of the Senate and the Speaker of the House of Representatives shall seek to ensure that the Advisory Committee members are selected from geographically diverse locations.

## (e) Staff and Rules.—

- (1) EXECUTIVE DIRECTOR.—The Advisory Committee shall have an Executive Director, who shall be appointed (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service) by the Advisory Committee and serve at the pleasure of the Advisory Committee. The Executive Director shall report to the Advisory Committee and assume such duties as the Advisory Committee may assign. The Executive Director shall be paid at a rate of pay for grade GS-18, as provided in the General Schedule under 5332 of title 5, United States Code.
- (2) Other staff.—In addition to authority to appoint personnel subject to the provisions of title 5, United States Code, governing appointments to the competitive service, and to pay such personnel in ac-

- 1 cordance with the provisions of chapter 51 and sub-2 chapter III of chapter 53 of such title relating to classification and General Schedule pay rates, the Advi-3 sory Committee shall have authority to enter into contracts with private or public organizations which 5 6 may furnish the Advisory Committee with such ad-7 ministrative and technical personnel as may be nec-8 essary to carry out the functions authorized by sub-9 section (c). To the extent practicable, such adminis-10 trative and technical personnel, and other necessary 11 support services, shall be provided for the Advisory 12 Committee by the Chief of the Forest Service and the 13 Director of the Bureau of Land Management.
- 14 (3) COMMITTEE RULES.—The Advisory Com-15 mittee may establish such procedural and administra-16 tive rules as are necessary for the performance of the 17 functions authorized by subsection (c).
- 18 (f) FEDERAL AGENCY COOPERATION.—The heads of 19 the departments, agencies, and instrumentalities of the exec-20 utive branch of the Federal Government shall cooperate with 21 the Advisory Committee in the performance of its functions 22 under subsection (c) and shall furnish to the Advisory Com-23 mittee information which the Advisory Committee deems 24 necessary to carry out such functions.

- 1 (g) Committee Termination.—The Advisory Com-
- 2 mittee shall terminate three years after the date of the enact-
- 3 ment of this Act.
- 4 SEC. 8. SENSE OF CONGRESS REGARDING ADVISORY COM-
- 5 *MITTEE RECOMMENDATIONS*.
- 6 It is the sense of Congress that the payments to eligible
- 7 States and eligible counties required by this Act should be
- 8 replaced by a long-term solution to generate payments con-
- 9 forming to the guidance provided by section 7(c)(2) and
- 10 that any promulgation of regulations or enactment of legis-
- 11 lation to establish such method should be completed within
- 12 two years after the date of submission of the final report
- 13 required by section 7(c)(1).
- 14 SEC. 9. AUTHORIZATION OF APPROPRIATIONS.
- 15 There are hereby authorized to be appropriated such
- 16 sums as are necessary to carry out this Act.
- 17 SEC. 10. CONFORMING AMENDMENTS.
- 18 (a) Repeal of Safety Net Payments.—Sections
- 19 13982 and 13983 of the Omnibus Budget Reconciliation Act
- 20 of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C.
- 21 1181f note) are repealed.
- 22 (b) Payments for Entitlement Land.—Section
- 23 6903(a)(1) of title 31, United States Code, is amended—

1	(1) by redesignating subparagraphs (D) through
2	(I) as subparagraphs (E) through (K), respectively;
3	and
4	(2) by inserting after subparagraph (C) the fol-
5	lowing new subparagraph:
6	"(D) the County Schools Funding Revital-
7	ization Act of 1999;".